

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 13, 2006

H.R. 4650 National Levee Safety Program Act of 2006

As ordered reported by the House Committee on Transportation and Infrastructure on June 28, 2006

SUMMARY

H.R. 4650 would authorize the appropriation of \$15 million a year over the 2007-2012 period for a levee (i.e., flood control embankments) safety program, including the inspection and inventory of levees, to be administered by the Army Corps of Engineers. The Corps would inspect levees that it constructed and maintains, as well as those financed, constructed, or maintained by other federal agencies and Indian tribes. In addition, the Corps would inspect other levees that are identified by state Governors as a threat to human life or property in case of a failure. The bill also would establish a National Levee Safety Advisory Board. Finally, H.R. 4650 would authorize a research program on levee construction and maintenance, and a training and assistance program for state levee safety officials.

Assuming appropriation of the authorized amounts, CBO estimates that carrying out this program would cost \$71 million over the 2007-2011 period, and an additional \$19 million after that period. Enacting H.R. 4650 would not affect direct spending or revenues.

H.R. 4650 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA); the bill would benefit state, local, or tribal governments and any costs they incur would result from complying with conditions of federal assistance.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For this estimate, CBO assumes that H.R. 4650 will be enacted near the start of fiscal year 2007 and that the authorized amounts will be appropriated for each year. Estimated outlays are based on historical spending patterns for similar programs. The estimated budgetary impact of H.R. 4650 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars					
	2007	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	15	15	15	15	15	15
Estimated Outlays	6	18	17	15	15	15

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4650 contains no intergovernmental or private-sector mandates as defined in UMRA. Enacting this bill would benefit state, local, and tribal governments that implement programs to improve levee safety; any costs they incur from establishing and maintaining an approved program would be incurred voluntarily.

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